

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representativ	Representatives Present During the Inspection:		
Company	Kit Pappas Manager of Environmental/Engineering		
OGM	Karl Houskeener, Environmental Scientist III		

Inspection Report

Permit Number:	C0070020
Inspection Type:	PARTIAL
Inspection Date:	Friday, June 20, 2008
Start Date/Time:	6/20/2008 9:30:00 AM
End Date/Time:	6/20/2008 1:00:00 PM
Last Inspection:	Tuesday, May 27, 2008

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: <u>Clear, Temp. 85 Deg. F.</u> InspectionID Report Number: <u>1689</u>

Accepted by: jhelfric

7/7/2008

Permitee: HIDDEN SPLENDOR RESOURCES INC Operator: HIDDEN SPLENDOR RESOURCES INC

Site: HORIZON MINE

Address: 3266 S 125 W, PRICE UT 84501

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

Mineral Ownership	
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Types of Operations

1,577.00 Total Permitted	✓ Federal	✓ Underground
9.50 Total Disturbed	☐ State	Surface
Phase I	☐ County	☐ Loadout
Phase II	✓ Fee	Processing
Phase III	Other	Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

Inspector's Signature:

Karl Houskeeper, Environmental Scientist III

Date

Friday, June 20, 2008

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

Permit Number: C0070020 Inspection Type: PARTIAL

Inspection Date: Friday, June 20, 2008

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	V		✓	
3.	Topsoil				
4.a	Hydrologic Balance: Diversions	V		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	V			
4.c	Hydrologic Balance: Other Sediment Control Measures				
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives				
6.	Disposal of Excess Spoil, Fills, Benches	V	✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓	✓		
8.	Noncoal Waste	V		✓	
9.	Protection of Fish, Wildlife and Related Environmental Issues				
10.	Slides and Other Damage				
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading				
13.	Revegetation				
14.	Subsidence Control				
15.	Cessation of Operations				
16.a	Roads: Construction, Maintenance, Surfacing				
16.b	Roads: Drainage Controls				
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations				
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22.	Other	✓		✓	

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Page 3 of 3

2. Signs and Markers

The mine ID sign was observed at the point of public access to the mine. The sign contained the name of the mine, address, phone number, permit number, and MSHA number.

4.a Hydrologic Balance: Diversions

The belting observed in the diversions on the prior inspection has been removed. The diversions were functional.

4.d Hydrologic Balance: Water Monitoring

First quarter 2008 water monitoring information is in the EDI websiteand has been uploaded. Water monitoring is current.

8. Noncoal Waste

The noncoal waste items were being handled according to regulation and the approved MRP.

22. Other

The mine has contacted carbon county and is working with them on receiving a special use permit on a limited basis to allow cars along the county road. Plans are also being made to bus employees in from a satellite location, allowing them to park there cars offsite and use mass transit.